

BEFORE THE TENNESSEE REGULATORY AUTHORITY AT

NASHVILLE, TENNESSEE

October 10, 2000

IN RE:)	
)	
APPLICATION OF QUINTELCO, INC.)	DOCKET NO.
AND LOCAL TELCOM HOLDINGS, LLC)	00-00722
d/b/a TRANSPPOINT COMMUNICATIONS)	
FOR APPROVAL OF A TRANSFER OF)	
AUTHORITY TO PROVIDE RESOLD)	
TELECOMMUNICATIONS SERVICES)	

ORDER APPROVING TRANSFER OF AUTHORITY

This matter came before the Tennessee Regulatory Authority (the "Authority") on the Application (the "Application") of Quintelco, Inc. ("Quintelco") and Local Telcom Holdings, LLC d/b/a Transpoint Communications ("Transpoint"), pursuant to the provisions of Tenn. Code Ann. § 65-4-113, for approval of a transfer of authority to provide utility services in Tennessee from Quintelco to Transpoint.

Requirement of and Standards for Authority Approval

Tenn. Code Ann. § 65-4-113 requires a public utility to obtain Authority approval to transfer its authority to provide utility services. Tenn. Code Ann. § 65-4-113 provides as follows:

(a) No public utility, as defined in § 65-4-101, shall transfer all or any part of its authority to provide utility services, derived from its certificate of public convenience and necessity issued by the authority, to any individual, partnership, corporation or other entity without first obtaining the approval of the authority.

Tenn. Code Ann. § 65-4-113 also provides the standards by which the Authority shall consider an application for transfer of authority, as follows:

(b) Upon petition for approval of the transfer of authority to provide utility services, the authority shall take into consideration all relevant factors, including,

but not limited to, the suitability, the financial responsibility, and capability of the proposed transferee to perform efficiently the utility services to be transferred and the benefit to the consuming public to be gained from the transfer. . . .

The Application

The Application states that Quintelco, a wholly owned subsidiary of Quintel Communications Inc., was incorporated under the laws of Delaware and has its principal offices in Pearl River, New York. Transpoint is a Delaware Limited Liability Company with its principal offices in New York, New York.

As is further stated in the Application, Quintelco was granted authority in Tennessee to provide resold intrastate services on July 2, 1998 in Authority Docket No. 97-01304. Quintelco is not currently providing regulated services in the State of Tennessee.

As stated in the Application, the proposed transfer of authority is part of a sale to Transpoint, effective April 20, 2000, of Quintelco's telecommunications license assets. The Application states that the proposed transfer of authority will have no adverse impact on Tennessee consumers as Quintelco currently has no customers and is not offering service to the public. The Application also states that the transfer of authority will further the public interest by providing for new ownership that plans to offer competitive local and interexchange telecommunications services in Tennessee.

Findings

The Directors of the Authority considered this matter at a regularly scheduled Authority Conference held on August 29, 2000. Based upon careful consideration of the Petition and the Exhibits thereto, and of the entire record of this matter, the Authority finds and concludes as follows:

1. That the Authority has jurisdiction over the subject matter of this Application pursuant to Tenn. Code Ann. § 65-4-113;

2. That Quintelco has been granted authority to provide telecommunications service in Tennessee;

3. That as part of a sale to Transpoint of the telecommunications license assets previously owned by Quintelco, the authority granted Quintelco will be transferred to Transpoint;

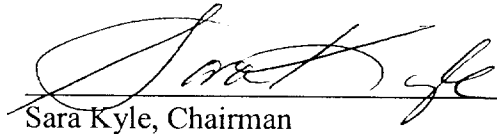
4. That Transpoint has the suitability, financial responsibility, and capability to perform efficiently the utility service to be transferred to it; and

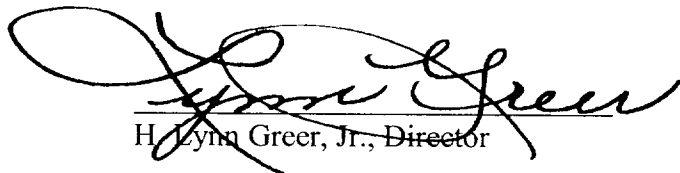
5. That the transfer of authority will benefit the consuming public.

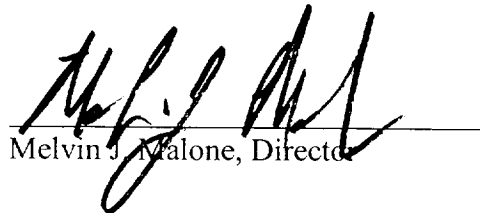
IT IS THEREFORE ORDERED THAT:

1. The Petition of Quintelco, Inc. and Local Telcom Holdings, LLC d/b/a Transpoint Communications for approval of the transfer of authority described herein is granted; and


2. Any party aggrieved by the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within fifteen (15) days from and after the date of this Order.


Sara Kyle, Chairman


H. Lynn Greer, Jr., Director


Melvin J. Malone, Director

ATTEST:


K. David Waddell, Executive Secretary